

STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF MCALLEN

The McAllen Board of Commissioners convened in a Workshop on **Thursday, August 8, 2024**, at 4:00 pm, at Champion Lakes Golf Course, 2701 South Ware Road, McAllen, Texas at 4:00 pm.

Mayor Javier Villalobos, Mayor Pro Tem Omar Quintanilla, Commissioner Antonio “Tony” Aguirre, Commissioner Rodolfo “Rudy” Castillo, Commissioner Victor “Seby” Haddad and Commissioner Jose R. “Pepe” Cabeza de Vaca

Absent: Commissioner Joaquin Zamora

Staff: City Manager Roel Rodriguez, City Attorney Isaac Tawil, Assistant City Manager Jeff Johnston, Assistant City Manager Michelle Rivera, City Secretary Perla Lara, Budget Director Angie Rodriguez, Cesar Rodriguez Director of Strategy Management, Sonia Resendez Interim Finance Director

CALL TO ORDER

Mayor Javier Villalobos called the meeting to order.

1. DISCUSSION OF FY 2024-2025 CITY OF MCALLEN BUDGET.

City Manager Roy Rodriguez welcomed everyone and briefly reviewed schedule of budget workshop meetings. Highlights of 2024-2025 budget were reviewed:

- Property Tax Rate Reduction – 0.449989
- \$652 MM Total Budget
- Capital Outlay/Projects -\$317 MM
- 3.5% Compensation Increases to ALL employees
- 25 New Employees all funds – 9 General Fund
- General Fund Ending Balance of - \$94.5 MM
- Total of All Funds ending balance of \$281 MM
- General Fund Revenue/Expenditures - \$6.7 MM
- 232 Days of Working Capital for General Fund – Policy = 140
- Funding over \$9.4 MM of departments \$19 MM requests
- \$98 MM of Sales Tax Collection
- \$23 MM of Sales Tax to Development Corporation
- Sales Tax Reduces Property Tax Rate by 18.5 %
- Continue to fund a CIP through segregated Sales Tax from Insight and Gas Royalties
- Street Maintenance – continue funding for streets repaving in the amount of \$3.4 MM

A discussion ensued. Comments were shared by Council. Questions were asked by council and answered by staff.

Total days of working capital were reviewed and noted that 232 days is being projected. Questions were raised regarding sales tax revenue, proposed tax rate, no new revenue tax rate, street maintenance, city capital improvement projects, and budgeted monies. Staff answered questions posed by Council.

Brief overview of the proposed budget was discussed as follows:

- General Fund
- General Fund Departments
- Enterprise Fund
- Internal Service Fund
- Total General Fund Revenues by Source
- General Fund Expenditures by Service Areas
- Recommended New Employee Positions | General Fund | Enterprise | Internal Service Funds
- General Fund Departments’ Budget Requests
- General Fund Decision Package Recap
- Capital Projects Funds Appropriations by Fund
- Development Corporation Fund
- Convention Center Fund
- Performing Arts Center Fund
- Hotel Occupancy Tax Fund
- Venue Tax Fund
- Airport Fund
- Toll Bridge Fund
- Anzalduas Crossing Fund

- Anzalduas CIP Fund
- Anzalduas Cargo Fund
- PEG Fund
- CIP Fund
- Drainage Fee Fund
- Traffic | Drainage Bond Fund
- Parks Facility Construction Fund
- Infrastructure & Improvement Fund (ARPA)
- Health Insurance Fund
- Agencies
- Outstanding Issues

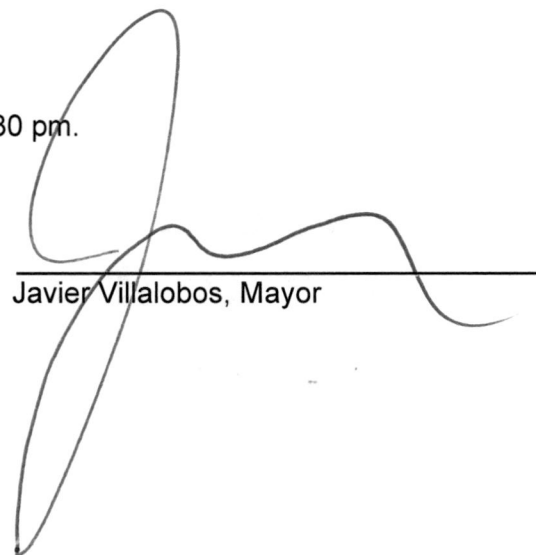
A discussion ensued. Questions were raised regarding revenues, ARPA Fund, Development Corporation, Agencies, recreation, parking garage, hotel tax and sports revenue, debt service for performing center, schedule of outstanding debt. Staff answered questions posed by Council.

Mayor Javier Villalobos thanked staff for their presentation.

EXECUTIVE SESSION, CHAPTER 551, TEXAS GOVERNMENT CODE, SECTION 551.071 (CONSULTATION WITH CITY ATTORNEY), SECTION 551.072 (DELIBERATION REGARDING REAL PROPERTY), SECTION 551.074 (PERSONNEL MATTERS) AND SECTION 551.087 (ECONOMIC DEVELOPMENT).

ADJOURNMENT

Without objection, the meeting was adjourned at 5:30 pm.



Javier Villalobos, Mayor

Attest 

 Perla Lara, TRMC/CMC, CPM
 City Secretary